

DATE IN <b>2/7/17</b>	SUSPENSE	ENGINEER <b>LRL</b>	LOGGED IN <b>2/9/17</b>	TYPE <b>NSL</b>	APP NO. <b>PLE1704057050</b>
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2/28/17

ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



NSL-7507

### ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

#### Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]

[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]

[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]

[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]

[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]

[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

EOG RESOURCES INC.

# 7377

#### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☒ NSL ☐ NSP ☐ SD

WELL: NERVOSA 24 STATE COM NO. 502

API: 30-025-43601

POOL: BERRY; B.S. NORTH POOL [#5535]

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

#### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

#### [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jordan L. Kessler

Print or Type Name

Signature

Attorney

Title

jlkessler@hollandhart.com

e-mail Address

Date

2/7/17

RECEIVED OGD  
2017 FEB - 7 PM 4:17

**HOLLAND & HART** LLP
**Jordan L. Kessler**  
**Associate**
**Phone** (505) 954-7286

**Fax** (505) 983-6043

JLKessler@hollandhart.com

February 7, 2017

**VIA HAND DELIVERY**

David Catanach  
 Oil Conservation Division  
 New Mexico Department of Energy,  
 Minerals and Natural Resources  
 1220 South Saint Francis Drive  
 Santa Fe, New Mexico 87505

 RECEIVED  
 2017-02-07 PM 4:17

**Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Nervosa 24 State Com No. 502H Well in the E/2 E/2 of Section 13 and the E/2 NE/4 of Section 24, Township 21 South, Range 33 East, N.M.P.M., Lea County, New Mexico.**

Dear Mr. Catanach:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Nervosa 24 State Com No. 502H Well** to be completed within the Berry; Bone Spring, North Pool (Pool Code 5535) underlying Sections 13 and 24 Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 2,394 feet from the North line and 504 feet from the East line (Unit H) of Section 24. The upper most perforation will be located 2,310 feet from North line and 1,118 feet from the East line (Unit H) of Section 24 and the lower most perforation will be 330 feet from the North line and 1,118 feet from the East line of Section 13 (Unit A). Since this acreage is governed by the Division's statewide rules which provides for wells to be located no closer than 330 feet to the outer boundary of the spacing unit, the completed interval for this well will be unorthodox because it is closer than 330 feet to the western, southwestern, and northwestern boundaries of the project area. EOG is the operator of the Nervosa 24 State Com No. 503H Well, located in the adjacent spacing units to the West of the subject well. Approval of the unorthodox completed interval will allow EOG to use their preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

**Exhibit A** is a draft Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Nervosa 24 State Com No. 502H Well** encroaches on the spacing and proration units to the West, Northwest, and Southwest.

**Holland & Hart** LLP
**Phone** (505) 988-4421 **Fax** (505) 983-6043 **www.hollandhart.com**

 110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☪

HOLLAND & HART<sup>LLP</sup>



**Exhibit B** is a land plat for Section 13 and Section 24 and the surrounding sections that shows the proposed **Nervosa 24 State Com No. 502H Well** in relation to adjoining units and existing wells.

**Exhibit C** is a development plan showing EOG's proposed and drilled wells in the subject area.

**Exhibit D** is a list of the parties affected by the encroachment to the Northwest, West, and Southwest. As described above, EOG is the operator in the spacing unit in the W/2 E/2 of Section 13 and the W/2 NE/4 of Section 24, dedicated to the Nervosa 24 State Com No. 503H Well. Parties affected by the unorthodox location are located in the spacing units to the Northwest and the Southwest. Each of these parties have been provided notice of this application by certified mail. Nonetheless, a copy of this application has been provided to the New Mexico State Land Office.

Your attention to this matter is appreciated.

Sincerely,

Jordan L. Kessler

**ATTORNEY FOR EOG RESOURCES, INC.**

cc: New Mexico State Land Office  
P.O. Box 1148  
Santa Fe, NM 87504

[illegible]



**Exhibit D**

**Tract 1:**

COG Operating, LLC  
a Delaware limited liability company  
600 W. Illinois Ave.  
Midland, TX 79701  
7015 1520 0002 0438 5054

**Tract 2:**

Oxy Y-1 Company  
P.O. Box 4294  
Houston, TX 77210  
7015 1520 0002 0438 5115

John A. Yates  
P.O. Box 900  
Artesia, NM 88211  
7015 1520 0002 0438 5108

**Tract 3:**

The Allar Company  
735 Elm Street  
Graham, TX 76450  
7015 1520 0002 0438 5092

GMT Exploration Company LLC  
1560 Broadway Suite 2000  
Denver, CO 80202  
7015 1520 0002 0438 5122

COG Operating LLC  
600 W. Illinois Avenue  
Midland, TX 79701  
DUPLICATE

**HOLLAND & HART**



**Jordan L. Kessler**  
**Associate**  
**Phone** (505) 954-7286  
**Fax** (505) 983-6043  
JKessler@hollandhart.com

February 7, 2017

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO AFFECTED PARTIES**

**Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Nervosa 24 State Com No. 502H Well in the E/2 E/2 of Section 13 and the E/2 NE/4 of Section 24, Township 21 South, Range 33 East, N.M.P.M., Lea County, New Mexico.**

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Paul Boland  
EOG Resources, Inc.  
(432) 686-3666  
Paul\_Boland@eogresources.com

Sincerely,

Jordan L. Kessler  
**ATTORNEY FOR EOG RESOURCES, INC.**

**Holland & Hart LLP**

**Phone** (505) 988-4421 **Fax** (505) 983-6043 **www.hollandhart.com**

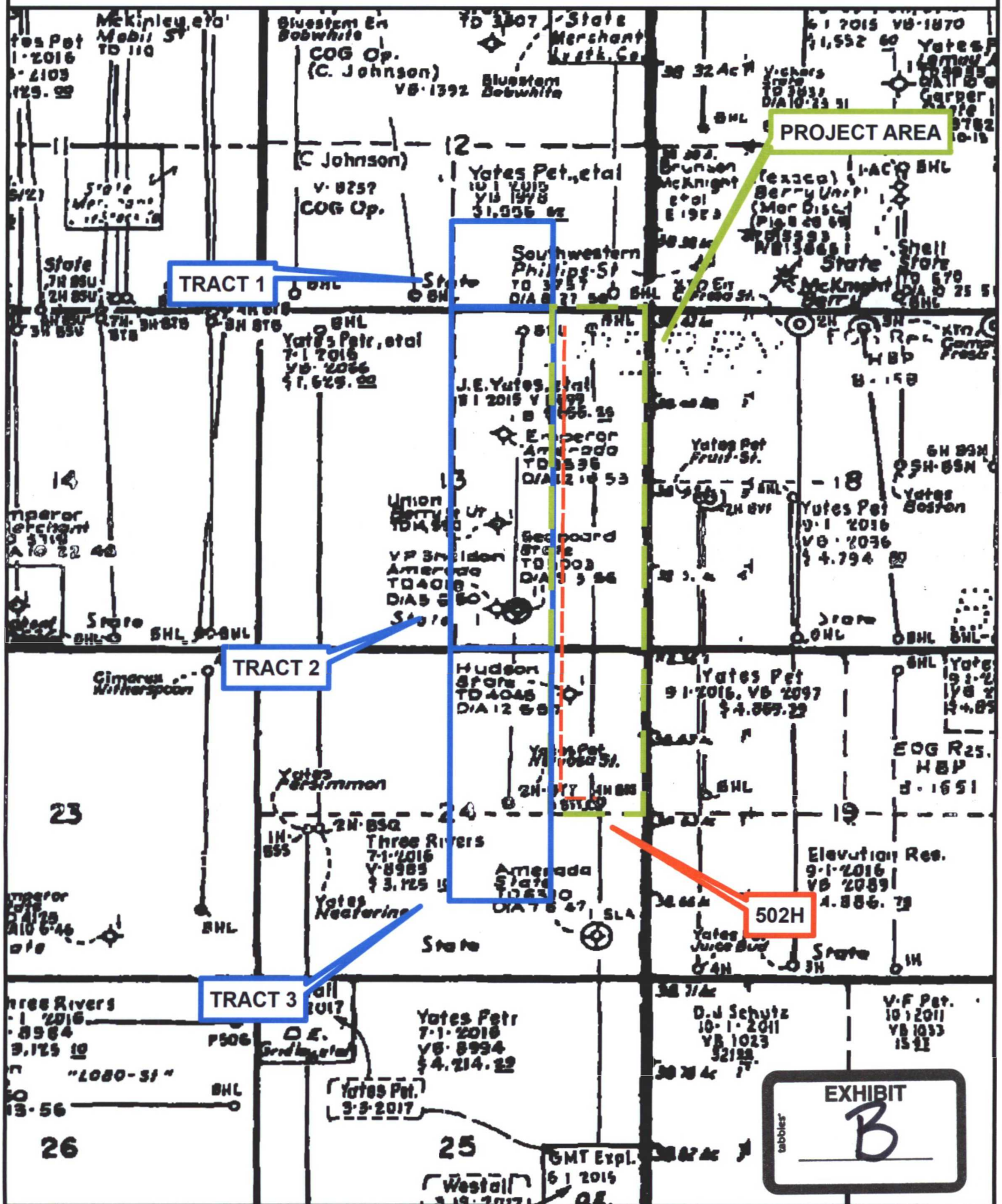
110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208

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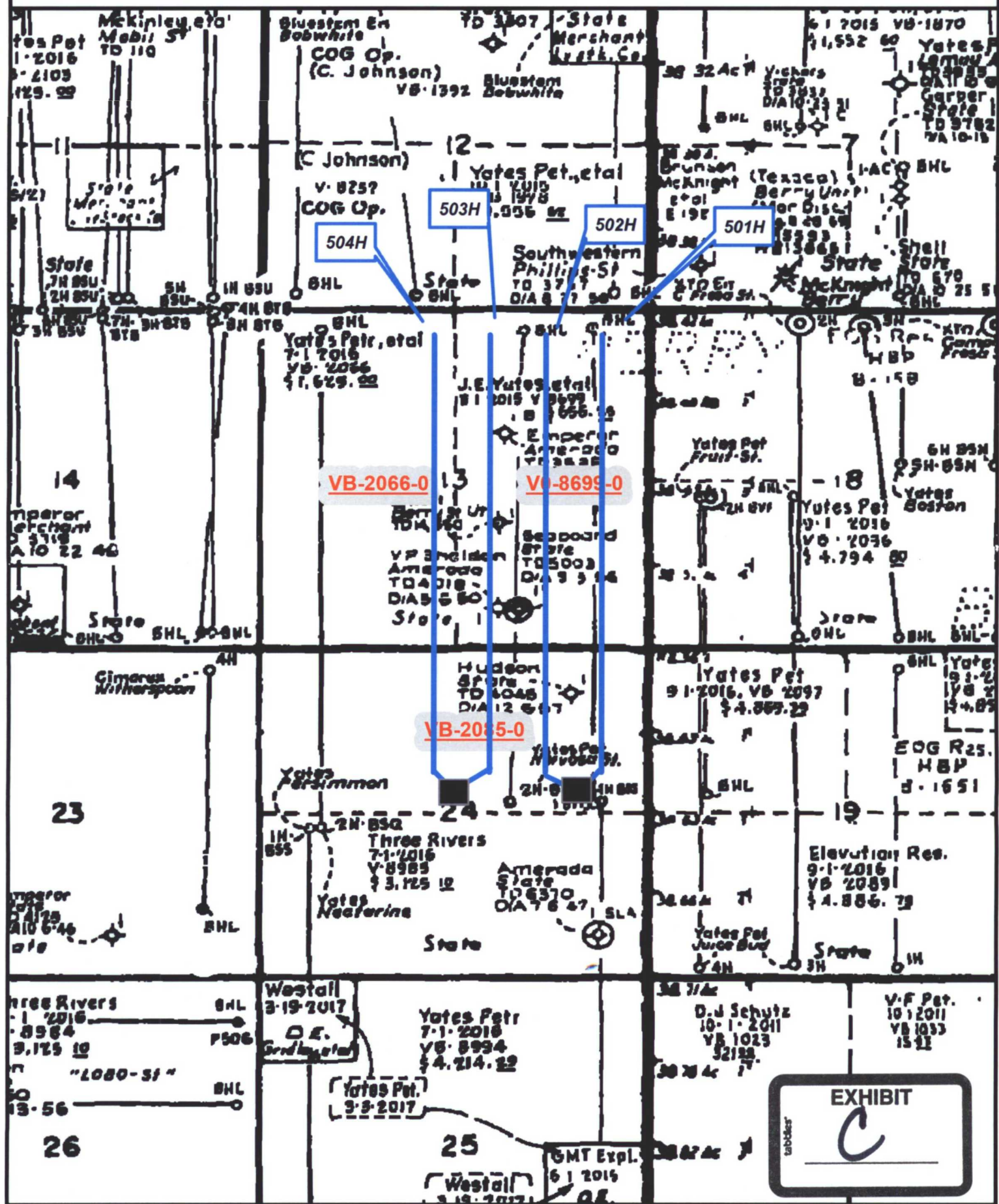
EOG RESOURCES, INC.

NERVOSA 24 STATE COM #502H UNORTHODOX LOCATION NOTICE TRACT PLAT  
TOWNSHIP 21 SOUTH RANGE 33 EAST, LEA COUNTY, NM





# PROPOSED DEVELOPMENT PLAN FOR NERVOSA AREA TOWNSHIP 21 SOUTH RANGE 33 EAST, LEA COUNTY, NM



## **Lowe, Leonard, EMNRD**

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**From:** Lowe, Leonard, EMNRD  
**Sent:** Monday, March 6, 2017 1:25 PM  
**To:** 'Jordan Kessler'  
**Cc:** Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Jones, William V, EMNRD; Martin, Ed; Holm, Anchor E.  
**Subject:** APPROVED NSL-7507\_EOG RESOURCES INC.\_Nervosa 24 State Com No. 502H, Lea County  
**Importance:** High

Ms. Jordan Kessler,

The following administrative orders have been issued and will soon be available on the Division's web site: <http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

### **NSL-7507**

EOG Resources, Inc.

API #: 30-025-43601

WELL: Nervosa 24 State Com No. 502H, Lea County

### **Leonard Lowe**

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Cell: 505-930-6717

Fax: 505-476-3462

E-mail: [leonard.lowe@state.nm.us](mailto:leonard.lowe@state.nm.us)

Website: <http://www.emnrd.state.nm.us/ocd/>